

**PIKE COUNTY PROJECT DEVELOPMENT BOARD**

**MEETING MINUTES**

**Pike County Courthouse  
Pikeville, Kentucky**

**February 4, 2010, at 5:00 p.m.**

**PRESIDING OFFICER: Circuit Judge Eddy Coleman**

**MEMBERS OF THE BOARD PRESENT:**

**Magistrate Jeff Anderson  
City Manager/AOC Representative Donovan Blackburn  
Circuit Court Clerk David Deskins  
Citizen at Large Hon. Charles E. Lowe, Jr.  
District Judge Darrell Mullins  
State Bar Association Representative Neal Smith  
AOC Project Manager Jim King**

**OTHERS PRESENT:**

**Chris Anderson, Appalachian News-Express  
Charles Carlton, Fiscal Court Director of Energy and Comm. Dev.  
Rusty Davis, Pikeville City Attorney  
Michael George, Ross, Sinclair & Associates  
Mary Meadow, Pikeville Medical Leader  
Jeanne Robinson, Executive Assistant to Judge Rutherford  
Steven Sherman, Sherman, Carter and Barnhart  
David Sumner, Codell Construction  
Rose Farley, Recorder**

**MEMBER OF THE BOARD ABSENT:**

**Judge/Executive Wayne T. Rutherford**

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Circuit Judge Eddy Coleman presided over a regularly scheduled meeting of the Pike County Project Development Board on February 4, 2010, at 5:00 p.m., in the Pike County Fiscal Courtroom, Pike County Courthouse, 146 Main Street, Pikeville, Kentucky. **Upon motion by Donovan Blackburn and second by Neal Smith, the Board unanimously APPROVED the board meeting minutes for January 7, 2010.**

Judge Coleman announced that both appeals on properties for the new Judicial Center have been assigned to panels. One is on the February panel for Alcie Combs with Judge Michelle Keller presiding and the second Webster appeal has been recently assigned to a panel with Judge Jeff Taylor presiding which will fall on the April docket. Jim King, AOC Project Manager, said the February panel will most likely be heard in middle or early March.

Bills were presented to Mr. King who will submit them to the proper places.

Steve Sherman, Architect, in his status report stated he needed approval to award bids tonight from those received for the remediation work for the foundation package. He said his firm's documents had been turned over to David Sumner of Codell Construction. He reported that this package is the final package for the building itself and he will e-mail the Board about this. When Judge Coleman confirmed that the package would be ready in two or three weeks and asked when the bid date would be after that, Mr. Sherman said four weeks.

Mr. Sherman said the demolition low-grade work was packaged and now everything from the ground up will be done, and the proposals will be advertised. Judge Coleman pointed out this would give a window for the appeals process. Mr. Sherman responded that they could move faster if the appeals would move faster.

Mr. Sumner said three bids were received for the soil work. Mr. Sherman said a good range of prices was represented and he wanted to lock in the low price. Mr. Sumner said he recommended Hayward-Baker, an international company from Atlanta. That bid was \$831,088 for doing ground stabilization with injection type testing. Mr. Sherman added that this foundation package is throughout the entire footprint of the building. He said the people who are doing the ground testing will be brought back to verify that the foundation is proper so less remedial work will have to be done. That estimate is \$15,000 for testing verification and he asked approval for that.

Mr. Sherman said during that process, special inspections would need to be completed. The state code requires an independent third party to test certain components of the building. The first phase would be inspection of the testing for remedial work and is estimated to cost \$30,000 at this point and he asked for approval for that. He said it would take about thirty days to do the engineering work and then the third party will do the supervision of work.

Mr. Smith asked whether Hayward-Baker would stand by that bid price regardless of the timing and Mr. Sherman answered yes, based on the testing done to date. He termed this a "worst case scenario price." He said although the entire site has not been able to be tested, enough testing has been done to be representative. He said the good news would be that enough remedial work has been done and no further should have to be done. He said they have asked for unit prices.

Judge Coleman asked how this related to the foundation and does it mean a more extensive foundation might not have to be undertaken, to which Mr. Sherman responded yes. He explained the piers were changed and they are alleviating the soil with a three-inch pad on top which would prevent a large cost for drilled piers underneath. He said spending a little more money now would change the dynamics under the soil so a simpler foundation could be installed. He said a three-foot stone mat would change the characteristics underneath the soil. Mr. Blackburn asked what the difference in the budgeting would be from the other style and Mr. Sherman answered probably \$300-, \$400,000. He reminded the Board the first cost had been estimated at \$2 million.

Judge Coleman then asked about earthquakes and Mr. Sherman answered that the building will be designed with a non-earthquake fence so that even if the building settled, a 6.5 earthquake can be handled. He stated that because of new building codes, different safety factors must be taken into account. Once the remediation work is completed, the

building itself would settle only one inch even with an earthquake. The slabs in the Clerk's office might settle one inch but the slabs in the rest of the building might settle at six inches. Even with remediation, they will probably only settle six inches and the \$600-, \$700,000 to fix that would be well worth it. Mr. King said the AOC policy is that the difference between repairing a floor that sank that much to a floor sinking more, is about \$700,000. He said the cost was not justified if another remedy would fix the floors. Mr. Sherman said a lot of floors could be replaced for \$700,000. Repeating that the Clerk's office floors would sink only about one inch, he declared this would most definitely not be a safety factor. **Upon motion by Neal Smith and second by Donovan Blackburn, the Board unanimously AUTHORIZED awarding the bid for ground remedial work to Hayward Baker in the sum of \$831,088. FURTHER, the Board recognizes special inspections and testing required by the Kentucky Revised Statutes to ensure that the ground remedial work is properly done and AUTHORIZED payment of the sum of \$30,000 additionally for this. FURTHER, the Board unanimously AUTHORIZED payment of the sum of \$15,000 for final testing of the soil. [Clerk's Note: Judge Darrell Mullins was temporarily away for the voting on this motion.]**

Mr. Sherman stated once the Court of Appeals rules, access to the properties will be assured. Attorney Rusty Davis reminded the Board that in ten days they go for a pre-hearing and in thirty days they can file motions. Mr. Sumner said the design might be done around the middle of May and then another thirty days to the middle of June meant this could be around the first of July. Mr. Sherman said the proposals are good for sixty days. He emphasized that the longer the contractors are asked to hold their prices, the higher the price will be but there is nothing that can be done about it.

Michael George of Ross, Sinclair & Associates, came forward to state that short term funds are getting a little low with about \$900,000 left. He said he will work with Mr. Sherman, Mr. Sumner and AOC and return to the next meeting with options. He said right now the rates are good but breaking down and financing the project by half might be considered when the rates prove to be really low.

Mr. Sherman inquired if it were possible to ask the people for access to the property since it would help to get into the buildings to tear things down. Judge Coleman asked if the longer those appeals are pending, the more this project is costing. Mr. King answered that the interest rates will be rising for the financing and then the construction and inflation figures will increase.

With no further business to come before the Board at this time, Judge Coleman ADJOURNED the meeting.

Respectfully submitted,

Rose Farley, Recorder